

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SPORT-BLX, INC., individually and derivatively
on behalf of its shareholders,

Plaintiff,

v.

MICHAEL M. SALERNO and CYPRESS
HOLDINGS, III, L.P.,

Defendants.

Civil Action No. 1:22-cv-8111-LGS

JURY TRIAL DEMANDED

ANSWER TO COUNTERCLAIM

Plaintiff-Counterclaim Defendant Sport-BLX, Inc. (“Sport-BLX”), by its attorneys,
Morvillo Abramowitz Grand Iason & Anello P.C., hereby answers or otherwise responds to the
Counterclaim of Defendant-Counterclaim Plaintiff Michael M. Salerno as follows:

1. Sport-BLX admits the allegations in Paragraph 1.
2. Sport-BLX admits the allegations in Paragraph 2, except denies that Sport-BLX’s principal place of business is located at 510 Madison Avenue, 9th Floor, New York, New York, 10022.
3. Paragraph 3 calls for a legal conclusion to which no response is required.
4. Paragraph 4 calls for a legal conclusion to which no response is required.
5. Sport-BLX adopts and incorporates by reference the responses to Paragraphs 1-4 as fully set forth above.
6. Sport-BLX denies the allegations in Paragraph 6, except admits that Sport-BLX’s bylaws were adopted on November 20, 2018, and respectfully refers the Court to that document for its terms and effect.

7. Sport-BLX admits the allegations in Paragraph 7.

8. Sport-BLX admits the allegations in Paragraph 8.

9. Sport-BLX denies the allegations in Paragraph 9.

10. Sport-BLX denies the allegations in Paragraph 10, except admits that counsel for Salerno sent a letter to counsel for Sport-BLX on November 18, 2022 and respectfully refers the Court to that letter for its terms and effect.

11. Sport-BLX admits the allegations in Paragraph 11 and respectfully refers the Court to that letter for its terms and effect.

12. Sport-BLX denies the allegations in Paragraph 12.

AFFIRMATIVE AND OTHER DEFENSES

Sport-BLX asserts the following affirmative and other defenses with respect to the causes of action alleged in the Counterclaim. In doing so, Sport-BLX does not concede that the assertion of such defenses imposes any burden on Sport-BLX with respect thereto. To the extent that investigation and/or discovery warrant, Sport-BLX reserves the right to supplement, amend, or withdraw any or all of the following affirmative or other defenses prior to any trial of this proceeding. In addition, Sport-BLX respectfully refers the Court to Sport-BLX's allegations in the Amended Complaint, which are incorporated herein by reference.

FIRST DEFENSE

13. The Counterclaim fails to state a claim against Sport-BLX upon which relief can be granted.

SECOND DEFENSE

14. Without admitting fault on Sport-BLX's part, the Counterclaim is barred by the doctrine of *in pari delicto*.

THIRD DEFENSE

15. The Counterclaim is barred, in whole or in part, by the doctrine of unclean hands.

Dated: March 16, 2023
New York, New York

MORVILLO ABRAMOWITZ GRAND
IASON & ANELLO P.C.

By: /s/ Jonathan S. Sack
Jonathan S. Sack
Edward M. Spiro
W. Alex Harris
565 Fifth Avenue
New York, New York 10017
(212) 856-9600 (phone)
(212) 856-9494 (fax)
jsack@maglaw.com

Wylie M. Stecklow
Wylie Stecklow PLLC
Carnegie Hall Tower
152 W. 57th Street
Ste 8th Floor
New York, New York 10019
(212) 566-8000 (phone)
(212) 202-4952 (fax)
wylie@wylielaw.com

Remy Green
Cohen&Green P.L.L.C.
1639 Centre Street, Ste. 216
Ridgewood, New York 11385
(929) 888-9480 (phone)
(929) 888-9457 (fax)
remy@femmelaw.com

Attorneys for Sport-BLX, Inc.